

UNISON FINANCIAL STATEMENTS

For the year ended 31 December 2013

UNISON

FINANCIAL STATEMENTS

For the year ended 31 December 2013

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FOREWORD TO THE 2013 FINANCIAL STATEMENTS

Dear Treasurers, Secretaries, Fellow Stewards, Members and Staff,

It is my pleasure to present the foreword to the 2013 Financial Statements.

You will see that the Financial Statements highlight the huge amount of work undertaken by UNISON throughout 2013. During the year the Con-Dem government continued its ferocious attack on public sector workers. UNISON continues investing its finances into the Fighting Fund which has seen the union pledge a combined total of £29 million to fight the cuts in public services. Branches have also contributed significant amounts of their income/reserves into fighting these attacks and I thank them for doing so.

The Finance and Resource Management Committee continues to monitor the challenges ahead. It is absolutely clear that the Con-Dem government's attacks on the public sector are the most significant challenge this union has ever faced. Our income continues to decline from its peak of £173m in 2011. Income in 2013 stood at £169 million and is budgeted at £167m in 2014, and potentially could decline to £165m in 2015. When inflationary pressures are taken into account the reduction in income equates to a figure well in excess of £10m. This is a critical time for the union's finances and we must work together collectively to ensure that across the organisation we set balanced budgets to maintain the sustainability of our great union.

The Finance and Resource Management Committee recognises that branches are struggling financially and that whilst the current funding formula delivers enough for branches collectively it doesn't deliver enough for all. Therefore work continues on the Branch Resources Review as a matter of priority and we will discuss proposals on branch resources during the week of National Delegate Conference. However, it is recognised that with falling income some branches may be experiencing financial difficulties immediately. Section C of the current branch funding formula was specifically included to assist in such circumstances. I would therefore remind any branch that is struggling with its finances to get in touch with their regions or senior finance managers in UNISON Centre as soon as possible.

So with the challenges the union faces, the Finance and Resource Management Committee continues to closely monitor costs being incurred (or likely to be incurred) whilst also keeping a watchful eye on subscription income

The year saw continuing volatility in the financial markets, albeit not as severe as recent years. However, historically UNISON has taken a policy decision not to invest its reserves in the stock markets but to invest in cash. Therefore whilst we have not suffered from the fluctuation in equities, our investment income is low due to poor interest rates within the financial markets. We will, however, continue to strive to achieve the best rate of return on our investments.

Financial Reporting Standard 17 requires the union to show any surplus or deficit on the staff pension schemes in the accounts. The impact of this is to report a deficit of £104 million (2012: £120m) but this needs to be set against the union's overall net assets of £222 million (2012: £216m).

I previously mentioned the turmoil in the financial markets and our pension schemes are affected by this instability. However, the pension scheme trustees, senior officers, staff trade unions, Staffing Committee and the Finance and Resource Management Committee work together to ensure that UNISON can both effectively manage the deficit. The actuaries triennial review of the pension fund takes place in June 2014 and reports to the pension scheme trustees in the latter part of the year. At that point the union can reassess the progress made to reduce the deficit through its recovery plan.

In closing I would like to thank firstly, the current members of the Finance and Resource Management Committee, particularly vice-chair Josie Bird, for all their hard work during the year. Secondly, all the staff of the finance department for their professionalism, dedication, advice and friendship during my time as chair of the Finance and Resource Management Committee. I would particularly thank our new director of finance, Raj Ashra, who takes up the role at a particularly difficult financial period for the union. Thirdly, all the branch treasurers who work tirelessly throughout the year, and without whom we would not have the financial set up the best trade union in the United Kingdom enjoys.

Finally, many thanks to you the reader for being a member of our union and taking such an active part in it.

Mike Hayes

Chairperson, Finance and Resource Management Committee

1 May 2014

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REPORT ON THE 2013 FINANCIAL STATEMENTS

1 Introduction

The Financial Statements for UNISON are prepared showing the usual detailed financial information. They are prepared in accordance with legislation on trade unions, internal rules and financial reporting standards.

They are a consolidation of the union activity at national, regional and branch level and include within the Revenue Account and Balance Sheet, financial data on staff pension schemes in accordance with Financial Reporting Standard 17 (FRS17).

In addition UNISON has consolidated the activities of its subsidiary, The College of Operating Department Practitioners (CODP), and the joint venture Managers in Partnership (MiP) into the Financial Statements to comply with Financial Reporting Standard 2 (FRS2) Accounting for Subsidiary Undertakings and Financial Reporting Standard 9 (FRS9) Associates and Joint Ventures. It does this by means of the Group Account Column shown in the Revenue Account and Balance Sheet.

Details of the results for this year are contained on pages 6 to 24 of these Financial Statements.

2 UNISON General Fund

Subscription Income at £169 million is down 1.1% from 2012, a major achievement, despite government cuts. Political fund contributions and the allocation to the industrial action fund is made from members subscriptions which total £7.9 million. Other external income generated by the union was £7.0 million. Operating expenditure was £164.1 million. There was other exceptional financial transactions generating £0.3 million. This results in a surplus of £4.3 million.

The General Fund covers the national NEC activity, regional lay activity and branch activity. The overall surplus is contributable to national NEC £3.8 million and branches £0.5 million.

General Fund reserves are increased by the overall surplus, rising to £194.8 million.

3 UNISON Industrial Action Fund

UNISON continues to support members and branches in dispute with their employers. The 2003 Conference agreed that at least 1% of subscription income less branch funding should be allocated to the Industrial Action Fund.

The Industrial Action Fund reserves at the end of the year increased to £26.8 million from the 2012 level of £25.5 million. This year £0.5 million was spent supporting local industrial action (2012 £0.5 million).

4 UNISON Pension Schemes

The union operates two defined benefit schemes, the UNISON Staff Pension Scheme and the 1974 COHSE Pension and Assurance Scheme. Both schemes are independently valued by an actuary every three years for the trustees of these schemes. Contributions are then paid to the schemes in accordance with the schedule of contributions drawn up and signed by the employers and trustees, to address any deficit arising from the valuation and on future accrual of benefits. Thus both schemes have a clear recovery plan in place to meet the deficits on the schemes.

UNISON is required to value its staff pension arrangements in accordance with Financial Reporting Standard 17 (FRS 17). This standard sets down the basis of such valuation, which will probably be different in terms of assumptions made from that used by the

Trustees of the schemes and the scheme actuary. The valuation in accordance with FRS17 tends to be volatile year on year. This is primarily due to changes in assumptions of inflation and salary increases.

As at 31 December 2013 the valuation indicated a deficit of £104.1 million. This reduction of £16.3 million from 2012 primarily reflects the increase in scheme assets.

5 Reserves and assets of UNISON

UNISON has reserves of £222 million against which the pension scheme deficit of £104 million is set, giving net reserves of £118 million and the assets representing them are :

	GROUP 2013	GROUP 2012
	£m	£m
Fixed Assets	106.4	110.9
Investment assets	2.2	2.2
Intangible assets	5.7	5.7
Short term deposits and cash at bank	85.4	85.0
Net Current Asset/ Liabilities – excluding cash at bank and deposit	22.0	12.2
	<u>221.7</u>	<u>216.0</u>
Fair value of pension schemes assets	461.7	397.1
Present value of pension scheme liabilities	(565.8)	(517.5)
Less: Pension defined benefit obligations	<u>(104.1)</u>	<u>(120.4)</u>
Total Net Assets	<u>117.6</u>	<u>95.6</u>

6 Funding for branches and the Regional Pool

The funding formula agreed at the 2001 Conference came into operation on 1 January 2002. Under the formula at least 23% of subscription income has to be available for direct funding of branches with a further 0.5% available for the direct funding of the regional pool. If the direct funding of branches is not utilised, any balance is credited to the regional pool.

Funding available in 2013 was £39.7 million being 23.5% of subscription income of £169 million. In the year £38.9 million was credited to branches with the balance of £0.8 million being added to the regional pool.

7 Branch funding for 2015

Funding arrangements agreed at Conference in 2001 called for certain information to be reported to the preceding National Delegate Conference to assist branches in connection with their funding arrangements. Hence for 2015 the following data will be used in order to comply with that commitment.

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REPORT ON THE 2013 FINANCIAL STATEMENTS

The information is as follows;

Subscription income for 2013	£169m
Membership as at 31 December 2013	1,266,750

Branch Funding for 2013 at: 23.5%

Branch average subscriptions per member	Additional entitlement
Less than £120 and not less than £106	0.5%
Less than £106 and not less than £93	1.0%
Less than £93 and not less than £80	1.5%
Less than £80	2.0%

Average branch general fund reserves per member	Additional entitlement
More than £12.80	0%
Less than £12.80 and not less than £11.20	0.5%
Less than £11.20 and not less than £9.60	1.0%
Less than £9.60 and not less than £8.00	1.5%
Less than £8.00	2.0%

For branches of more than 500 members	Percentage reduction in additional entitlements
Branch general fund reserves expressed as an average per member	
At £16 or below	0%
More than £16.00 and less than or equal to £17.60	20%
More than £17.60 and less than or equal to £19.20	40%
More than £19.2 and less than or equal to £20.80	60%
More than £20.80 and less than or equal to £22.40	80%
More than £22.40	100%

For branches of less than 501 members	Percentage reduction in additional entitlements
Total branch general fund reserves	
£8,000 or below	0%
More than £8,000 and less than or equal to £8,800	20%
More than £8,800 and less than or equal to £9,600	40%
More than £9,600 and less than or equal to £10,400	60%
More than £10,400 and less than or equal to £11,200	80%
More than £11,200	100%

8 Going concern

We have set out above a review of financial performance and UNISON's reserves position. We have adequate financial resources and are well placed to manage the business risks. Our planning process, including financial projections, has taken into consideration the current economic climate and its potential impact on the various sources of income and planned expenditure. We have a reasonable expectation that we have adequate resources to continue in operational existence for the foreseeable future. We believe that there are no material uncertainties that call into doubt UNISON's ability to continue. The accounts have therefore been prepared on the basis that UNISON is a going concern.

9 Statement of Officers' Responsibility

The Trade Union and Labour Relations (Consolidation) Act 1992 as amended by the Employment Relations Act 1999 requires the officers of the union to;

- keep proper records which give a true and fair view of the state of affairs of UNISON and explains its transactions;
- establish and maintain a satisfactory system of control of the accounting records, cash holdings, and all the receipts and remittances;
- prepare an annual return for the Certification Officer giving a true and fair view of the Revenue Account and Balance Sheet; and
- provide members of UNISON with a statement of income and expenditure for the year.

UNISON Rules require the officers of the union to present audited accounts to the Finance and Resources Committee for approval and adoption by the National Delegate Conference.

The maintenance and integrity of the UNISON website is the responsibility of the officers of the union. The work carried out by the auditors does not involve the consideration of these matters, and accordingly, the auditors accept no responsibility for any changes that may have occurred in the accounts since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of the accounts and the other information included in annual reports may differ from legislation in other jurisdictions.

Dave Prentis
General Secretary

1 May 2014

Maureen le Marinel
President

1 May 2014

We have audited the Financial Statements of UNISON for the year ended 31 December 2013 which comprise the Consolidated Revenue Account, the Consolidated Balance Sheet, the Consolidated Cash Flow Statement and the related notes, for the union and the group, plus the Affiliated Political Fund and the General Political Fund on pages 25 to 26. These Financial Statements have been prepared under the historical cost convention and the accounting policies set out therein.

This report is made solely to UNISON's members as a body. Our work has been undertaken so that we might state to UNISON's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than UNISON and UNISON's members as a body, for our audit work, or for the opinion we have formed.

Respective Responsibilities of Officers and Auditors

As explained more fully in the Statement of Officers' Responsibility, the union's officers are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. We have been appointed as auditor under section 33 of the Trade Union and Labour Relations Act 1992 and report in accordance with Section 36 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the union's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the officers; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Foreword and the Report on the Financial Statements to identify material inconsistencies with the audited financial statements, and to identify any information that is apparently materially incorrect, or materially inconsistent, with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of UNISON's affairs as at 31 December 2013 and of its transactions for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Trade Union and Labour Relations Act 1992.

Matters on which we report by exception

We have nothing to report in respect of the following matters where the Trade Unions and Labour Relations Act 1992 requires us to report to you if, in our opinion:

- proper accounting records have not been kept;
- a satisfactory system of control over its accounting records, cash holdings and receipts and remittances has not been maintained; or
- the financial statements are not in agreement with the accounting records or returns.

Crowe Clark Whitehill LLP

Chartered Accountants and Registered Auditors

St Bride's House

10 Salisbury Square

London

EC4Y 8EH

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CONSOLIDATED REVENUE ACCOUNT

For the year ended 31 December 2013

	Notes	2013 General Funds (Note 3) £'000s	2013 Industrial Action Funds (Note 4) £'000s	2013 Pension Scheme £'000s	2013 Total Union £'000s	2013 Total Group £'000s
Membership Income						
Members' subscriptions		168,990	–	–	168,990	169,122
Local levy		309	–	–	309	309
Donations by Branch members	9/4	59	93	–	152	152
Allocations to Political Funds		(6,632)	–	–	(6,632)	(6,632)
Allocations to Industrial Action Fund		(1,293)	1,293	–	–	–
Available Operating Income		161,433	1,386	–	162,819	162,951
Non-Membership Income						
National Office income	6	4,895	–	–	4,895	4,895
Regional Office income	7	198	–	–	198	198
Lay Regional income	8	242	–	–	242	242
Branch income	9	1,338	–	–	1,338	1,338
Industrial Action income	4	–	426	–	426	426
College of Operating Department Practitioners	13	–	–	–	–	–
Share of Income of Joint Venture	13	–	–	–	–	959
Total Non-Membership Income		6,673	426	–	7,099	8,058
Total Income		168,106	1,812	–	169,918	171,009
Expenditure						
National Office expenditure	6	(66,463)	–	–	(66,463)	(66,463)
Regional Office expenditure	7	(46,256)	–	–	(46,256)	(46,256)
Lay Regional expenditure	8	(3,177)	–	–	(3,177)	(3,177)
Branch expenditure	9	(40,196)	–	–	(40,196)	(40,196)
Dispute pay and associated expenses	4	–	(518)	–	(518)	(518)
Depreciation	12	(5,868)	–	–	(5,868)	(5,868)
College of Operating Department Practitioners Ltd	13	–	–	–	–	(95)
Additional pension cost	11	(2,031)	–	3,401	1,370	1,370
International Development Fund	17	(161)	–	–	(161)	(161)
Share of Costs of Joint Venture	13	–	–	–	–	(691)
Operating Expenditure		(164,152)	(518)	3,401	(161,269)	(162,055)
Net Income from Operations		3,954	1,294	3,401	8,649	8,954
Other Income						
Investment income		191	78	–	269	269
Interest paid		(105)	–	–	(105)	(105)
Distributions from Joint Venture	13	268	–	–	268	–
Net Income for the year		4,308	1,372	3,401	9,081	9,118
Revaluation of Mabledon Place	13	–	–	–	–	–
Actuarial gain on pension scheme	11	–	–	12,890	12,890	12,890
Surplus for the year		4,308	1,372	16,291	21,971	22,008
Reserves brought forward balance		190,526	25,470	(120,356)	95,640	95,625
Reserves as at 31 December 2013		194,834	26,842	(104,065)	117,611	117,633

The above Revenue account contains all the gains and losses recognised in the current and preceding years

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CONSOLIDATED REVENUE ACCOUNT

For the year ended 31 December 2012

		2012	2012	2012	2012	2012
	Notes	General Funds	Industrial Action Funds	Pension Scheme	Total Union	Total Group
		(Note 3) £'000s	(Note 4) £'000s	£'000s	£'000s	£'000s
Membership Income						
Members' subscriptions		170,864	—	—	170,864	170,975
Local levy		212	—	—	212	212
Donations by Branch members		—	22	—	22	22
Allocations to Political Funds		(6,716)	—	—	(6,716)	(6,716)
Allocations to Industrial Action Fund		(1,308)	1,308	—	—	—
Available Operating Income		163,052	1,330	—	164,382	164,493
Non-Membership Income						
National Office income	6	4,855	—	—	4,855	4,855
Regional income	7	78	—	—	78	78
Lay Regional income	8	1,028	—	—	1,028	1,028
Branch income	9	2,855	—	—	2,855	2,855
Industrial Action income	4	—	441	—	441	441
College of Operating Department Practitioners Ltd	13	—	—	—	—	7
Share of Income of Joint Venture	13	—	—	—	—	978
Total Non-membership Income		8,816	441	—	9,257	10,242
Total Income		171,868	1,771	—	173,639	174,735
Expenditure						
National Office expenditure	6	(71,883)	—	—	(71,883)	(71,883)
Regional Office expenditure (restated)	7	(46,099)	—	—	(46,099)	(46,099)
Lay Regional expenditure	8	(3,122)	—	—	(3,122)	(3,122)
Branch expenditure	9	(42,107)	—	—	(42,107)	(42,107)
Dispute pay and associated expenses	4	—	(451)	—	(451)	(451)
Depreciation		(5,595)	—	—	(5,595)	(5,595)
College of Operating Department Practitioners Ltd	13	—	—	—	—	(144)
Pension cost	11	(1,914)	—	2,758	844	844
International Development Fund	17	(178)	—	—	(178)	(178)
Share of Costs of Joint Venture		—	—	—	—	(730)
Operating Expenditure		(170,898)	(451)	2,758	(168,591)	(169,465)
Net Income from Operations		970	1,320	2,758	5,048	5,270
Other Income						
Investment income		141	72	—	213	213
Interest paid		(375)	—	—	(375)	(375)
Distributions from Joint Venture		248	—	—	248	—
Net Income for the year		984	1,392	2,758	5,134	5,108
Revaluation of Mabledon Place		850	—	—	850	850
Actuarial loss on pension scheme	11	—	—	(16,525)	(16,525)	(16,525)
Surplus/(Deficit) for the year		1,834	1,392	(13,767)	(10,541)	(10,567)
Reserves brought forward balance		188,692	24,078	(106,589)	106,181	106,192
Reserves 31 December 2012		190,526	25,470	(120,356)	95,640	95,625

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CONSOLIDATED BALANCE SHEET

As at 31 December 2013

		2013	2013	2013	2013	2013
	Notes	General Funds £'000s	Industrial Action Funds £'000s	Pension Scheme £'000s	Total Union £'000s	Total Group £'000s
Fixed Assets						
Tangible assets	12	106,516	–	–	106,516	106,516
Investments: Unlisted	13	1,771	–	–	1,771	1,771
Investments: Listed	13	281	–	–	281	281
1 Mabledon Place	13	5,650	–	–	5,650	5,650
		114,218	–	–	114,218	114,218
Current Assets						
Debtors	14	34,099	–	–	34,099	34,097
Debtors – falling due after one year	14	–	–	–	–	–
Other loans		179	–	–	179	179
Short Term Bank Deposits		10,268	13,000	–	23,268	23,268
National and Regional – cash at bank and in hand		5,678	–	–	5,678	5,678
Branches – cash at bank and in hand		42,515	13,851	–	56,366	56,366
CODP – Bank		–	–	–	–	48
		92,739	26,851	–	119,590	119,636
Current Liabilities						
Creditors payable within one year	15a	(10,334)	(9)	–	(10,343)	(10,367)
Branch and regions – other net current liabilities		(1,789)	–	–	(1,789)	(1,789)
		(12,123)	(9)	–	(12,132)	(12,156)
Net Current Assets		80,616	26,842	–	107,458	107,480
Total Assets less Current Liabilities		194,834	26,842	–	221,676	221,698
Creditors payable later than one year	15b	–	–	–	–	–
Net Assets excluding Pension Scheme		194,834	26,842	–	221,676	221,698
Pension fund deficit	11	–	–	(104,065)	(104,065)	(104,065)
Total Net Assets		194,834	26,842	(104,065)	117,611	117,633
Represented by:						
Reserves		194,834	26,842	–	221,676	221,698
Pension scheme liability	11	–	–	(104,065)	(104,065)	(104,065)
Total Reserves		194,834	26,842	(104,065)	117,611	117,633

The Financial Statements were approved by the Finance and Resource Management Committee on 1 May 2014 and are signed on its behalf by:

Dave Prentis
General Secretary
1 May 2014

Maureen le Marinel
President
1 May 2014

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CONSOLIDATED BALANCE SHEET

As at 31 December 2012

		2012	2012	2012	2012	2012
	Notes	General Funds £'000s	Industrial Action Funds £'000s	Pension Scheme £'000s	Total Union £'000s	Total Group £'000s
Fixed Assets						
Tangible assets	12	110,900	–	–	110,900	110,900
Investments: Unlisted	13	1,771	–	–	1,771	1,771
Investments: Listed	13	382	–	–	382	382
1 Mabledon Place	13	5,650	–	–	5,650	5,650
		118,703	–	–	118,703	118,703
Current Assets						
Debtors	14	19,329	(9)	–	19,320	19,299
Debtors – falling due after one year	14	15,000	–	–	15,000	15,000
Other loans		199	–	–	199	199
Short Term Bank Deposits		8,950	12,500	–	21,450	21,450
National and Regional – cash at bank		5,857	378	–	6,235	6,235
Branches – cash at bank		44,630	12,601	–	57,231	57,231
CODP – Bank		–	–	–	–	46
		93,965	25,470	–	119,435	119,460
Current Liabilities						
Creditors payable within one year	15a	(11,927)	–	–	(11,927)	(11,967)
Branch and regions – other net current liabilities		(4,215)	–	–	(4,215)	(4,215)
		(16,142)	–	–	(16,142)	(16,182)
Net Current Assets		77,823	25,470	–	103,293	103,278
Total Assets less Current Liabilities		196,526	25,470	–	221,996	221,981
Creditors payable later than one year	15b	(6,000)	–	–	(6,000)	(6,000)
Net Assets excluding Pension Scheme		190,526	25,470	–	215,996	215,981
Pension fund deficit	11	–	–	(120,356)	(120,356)	(120,356)
Total Net Assets		190,526	25,470	(120,356)	95,640	95,625
Represented by:						
Reserves		190,526	25,470	–	215,996	215,981
Pension scheme liability	11	–	–	(120,356)	(120,356)	(120,356)
Total Reserves		190,526	25,470	(120,356)	95,640	95,625

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CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2013

		2013	2012
		Total Group	Total Group
	Notes	£'000s	£'000s
Cash inflow from operating activities	18	7,617	1,665
Returns on Investments and Servicing of Finance			
Interest received		269	213
Interest paid		(105)	(375)
Capital Expenditure and Financial Investment			
Fixed Assets			
(Purchase) of tangible fixed assets – national		(853)	(2,788)
(Purchase) / Sale of tangible fixed assets – branches and regions		(632)	25
Investments			
Sale of investments		101	194
Cash inflow / (outflow) before Financing		6,397	(1,066)
Management of liquid resources			
Purchase of short term bank deposits		(1,818)	(3,750)
Financing Activity			
Bank loan repaid		(6,000)	(8,087)
(Decrease) in Cash	18	(1,421)	(12,903)

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

1 Basis of Financial Statements

- a The Financial Statements have been prepared under the historical cost convention with the exception of the freehold interest in the investment property which is stated at market value. They have been prepared in accordance with applicable accounting standards and on a going concern basis as discussed in the Report on the 2013 Financial Statements on page 4.
- b UNISON has consolidated the results of the different parts of the union on a line by line basis. The Consolidated Financial Statements are comprised of two elements.

Total Union represents:

- All the income, expenditure and net assets of national offices, branches and regions (General Fund)
- All the income, expenditure and net assets the Industrial Action Fund.
- All adjustments required in connection with the inclusion of pension scheme income, expenditure, assets and liabilities as required by FRS 17.

Total Group represents:

- Total Union results as described above
 - All the income and expenditure and net assets of subsidiary undertakings, where UNISON owns a controlling interest in the shares of a separate entity, currently CODP Ltd.
 - UNISON's share of the net income, expenditure, assets and liabilities of the joint venture. Currently 50% of Managers in Partnership.
- c Where audited year end returns have not yet been received from branches, previous year end audited amounts have been incorporated into the Financial Statements.
 - d **International Development Fund:** this fund is part of the General Fund, and all income, expenditure, assets and liabilities of the International Development Fund are included within the national results within the General Fund.

2 Other Accounting Policies

a Subscriptions

Members' subscriptions are brought into the Revenue Account on the basis of subscriptions due for the year ending 31 December 2013.

Amounts not received as at 31 December 2013 are included in current assets under the heading Debtors.

b Interest on Investments and Loans

Interest on investments and loans comprises gross interest receivable/payable for the year.

c Expenditure

Expenditure is accounted for on an accruals basis. Any amounts of irrecoverable VAT are added to expenditure incurred.

d Depreciation

Freehold buildings are depreciated on a straight line basis at two per cent per annum on cost. The exception to this relates to chalets at Croyde Bay Holiday Resort which are depreciated on a

straight line basis over a period of 20 years. Assets are depreciated from the year of purchase with the exception of Croyde Bay Holiday Resort which starts the following year.

There is no depreciation while assets are in the course of construction.

Leasehold property is depreciated over the life of each lease.

Furniture and equipment is depreciated on a straight line basis at ten per cent per annum.

Equipment acquired on hire purchase terms are depreciated over their estimated useful lives.

Computer equipment is depreciated on a straight line basis at twenty five per cent per annum.

The cost threshold for inclusion as a fixed asset is £1,000.

e Investments and Intangible Assets

Listed and unlisted investments are carried at cost less provisions for any permanent diminution in value. The freehold interest in Mabledon Place is carried at Market Value. Officers will undertake a review to consider whether there is a material change since the last valuation.

f Corporation tax

Taxation for the year is chargeable on investment income, capital gains and other non-trading taxable income less provident benefits on any trading profits. There is no charge for the year as provident benefits exceed the investment income and capital gains and there are no profitable trading activities.

g Pension schemes

UNISON operates a defined benefit pension scheme. The disclosures required to be made under the provisions of FRS 17 are made in note 12. The current and past service costs, interest costs and the expected return on pension scheme assets are included within operating expenditure. Actuarial gains or losses are shown separately below net income/expenditure for the year. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. Full actuarial valuations are obtained every three years and are updated at each balance sheet date. The resulting defined benefit scheme liability is shown separately on the face of the balance sheet.

h Operating Leases

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged to revenue as incurred.

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

3 General Fund Revenue Account Analysis

	Notes	2013 National £'000s	2013 Branches £'000s	2013 Regions £'000s	2013 Total £'000s	2012 National £'000s	2012 Branches £'000s	2012 Regions £'000s	2012 Total £'000s
Income									
Members' subscriptions		168,990	—	—	168,990	170,864	—	—	170,864
Branch funding		(39,713)	38,868	845	—	(40,153)	39,299	854	—
Local levy		—	309	—	309	—	212	—	212
Allocations to regions		(2,041)	—	2,041	—	(2,050)	—	2,050	—
Allocations to Political Funds		(6,632)	—	—	(6,632)	(6,716)	—	—	(6,716)
Allocation to Other Funds		(1,293)	—	—	(1,293)	(1,308)	—	—	(1,308)
Available Operating Income		119,311	39,177	2,886	161,374	120,637	39,511	2,904	163,052
Non-Membership Income									
National Office income	6	4,895	—	—	4,895	4,855	—	—	4,855
Regional Office income	7	198	—	—	198	78	—	—	78
Lay Regional income	8	—	—	242	242	—	—	1,028	1,028
Branch income	9	—	1,397	—	1,397	—	2,855	—	2,855
Total Non-Membership Income		5,093	1,397	242	6,732	4,933	2,855	1,028	8,816
Total Income		124,404	40,574	3,128	168,106	125,570	42,366	3,932	171,868
Expenditure									
National Office expenditure	6	(66,463)	—	—	(66,463)	(71,883)	—	—	(71,883)
Regional Office expenditure	7	(46,256)	—	—	(46,256)	(46,099)	—	—	(46,099)
Lay Regional expenditure	8	—	—	(3,177)	(3,177)	—	—	(3,122)	(3,122)
Branch expenditure	9	—	(40,196)	—	(40,196)	—	(42,107)	—	(42,107)
Depreciation	12	(5,868)	—	—	(5,868)	(5,595)	—	—	(5,595)
Pension cost	11	(2,031)	—	—	(2,031)	(1,914)	—	—	(1,914)
International Development Fund	17	(161)	—	—	(161)	(178)	—	—	(178)
Operating Expenditure		(120,779)	(40,196)	(3,177)	(164,152)	(125,669)	(42,107)	(3,122)	(170,898)
Net Income/(Expenditure) from Operations		3,625	378	(49)	3,954	(99)	259	810	970
Other Income									
Distributions from Joint Venture	13	268	—	—	268	248	—	—	248
Investment and other income		96	95	—	191	92	49	—	141
Interest paid		(105)	—	—	(105)	(375)	—	—	(375)
1 Mabledon Place valuation		—	—	—	—	850	—	—	850
Surplus / (Deficit) for the year		3,884	473	(49)	4,308	716	308	810	1,834
Reserves brought forward as reported		142,680	43,285	4,561	190,526	141,964	42,977	3,751	188,692
Reserves as at 31 December 2013		146,564	43,758	4,512	194,834	142,680	43,285	4,561	190,526

Included under regions is the allocation of £845,000 (2012: £1,365,207) for the regional pool and £997,556 (2012: £902,867) expenditure from the pool.

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

4 Industrial Action Fund Revenue Account Analysis

	2013			2012		
	National £'000s	Branches £'000s	Total £'000s	National £'000s	Branches £'000s	Total £'000s
Income						
Donations	—	93	93	(188)	210	22
Other Income	60	366	426	(28)	469	441
Allocation from General Fund	1,293	—	1,293	1,308	—	1,308
Operating Income	1,353	459	1,812	1,092	679	1,771
Expenditure						
Balloting	(154)	—	(154)	—	—	—
Dispute pay and associated expenses	(84)	(280)	(364)	(43)	(408)	(451)
Operating Expenditure	(238)	(280)	(518)	(43)	(408)	(451)
Net Income from Operations	1,115	179	1,294	1,049	271	1,320
Investment income	66	12	78	53	19	72
Surplus for the year	1,181	191	1,372	1,102	290	1,392
Reserves as at 1 January 2013	12,808	12,662	25,470	11,706	12,372	24,078
Reserves as at 31 December 2013	13,989	12,853	26,842	12,808	12,662	25,470

5 Analysis of General Fund Balance Sheet

	2013				2012			
	National £'000s	Branches £'000s	Regions £'000s	Total £'000s	National £'000s	Branches £'000s	Regions £'000s	Total £'000s
Tangible fixed assets	104,184	2,332	—	106,516	109,199	1,701	—	110,900
Investments	1,773	279	—	2,052	1,773	380	—	2,153
Intangible asset	5,650	—	—	5,650	5,650	—	—	5,650
Debtors falling due after 1 year	—	—	—	—	15,000	—	—	15,000
Creditors payable later than 1 year	—	—	—	—	(6,000)	—	—	(6,000)
Other net assets	34,957	41,147	4,512	80,616	17,058	41,204	4,561	62,823
	146,564	43,758	4,512	194,834	142,680	43,285	4,561	190,526

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

	2013	2013	2013	2012	2012	2012
			Net			Net
			Expenditure/			Expenditure/
		Non	Non		Non	Non
	Expenditure	Membership	Membership	Expenditure	Membership	Membership
6 Total National Expenditure/	£'000s	Income	Income	£'000s	Income	Income
Non-Membership Income		£'000s	£'000s		£'000s	£'000s
Learning and Organising Services	2,762	(1,171)	1,591	2,737	(1,110)	1,627
Recruitment and Organising	939	–	939	640	–	640
Fighting Fund	3,780	–	3,780	3,861	(128)	3,733
Organising & recruitment	7,481	(1,171)	6,310	7,238	(1,238)	6,000
Local Government	1,358	(14)	1,344	1,415	(23)	1,392
Healthcare	1,356	(7)	1,349	1,411	(51)	1,360
Education workforce	1,052	–	1,052	1,061	(1)	1,060
Business & community	988	–	988	1,164	(29)	1,135
Police and justice	139	–	139	121	–	121
Members pension service	203	–	203	202	–	202
Members participation unit	1,253	(18)	1,235	1,184	(17)	1,167
Negotiating and promoting equality – members	1,428	–	1,428	3,740	–	3,740
Bargaining, negotiation & equalities	7,777	(39)	7,738	10,298	(121)	10,177
Communications	4,726	(334)	4,392	4,344	(161)	4,183
Policy and public affairs	1,370	(62)	1,308	1,867	(61)	1,806
Trade union affiliations	4,726	–	4,726	4,711	–	4,711
Press office	355	–	355	382	–	382
Campaigning and promoting UNISON	–	–	–	102	–	102
Communications, campaigns & policy	11,177	(396)	10,781	11,406	(222)	11,184
Finance	3,099	(697)	2,402	2,220	(114)	2,106
Rule Book Benefits	385	–	385	385	–	385
Legal Services	5,080	–	5,080	6,248	–	6,248
Membership service (RMS)	3,006	–	3,006	2,022	–	2,022
Organisation and Staff Development	1,416	–	1,416	1,639	–	1,639
Systems Management :						
Information Technology	8,000	–	8,000	9,844	–	9,844
Property maintenance	3,394	(345)	3,049	3,485	(291)	3,194
Administration and postage	2,014	–	2,014	2,092	–	2,092
Insurance	1,134	–	1,134	1,170	–	1,170
Developing an efficient and effective Union	345	–	345	2,369	–	2,369
Organisation and resource development	27,873	(1,042)	26,831	31,474	(405)	31,069
NEC Committees	458	–	458	594	–	594
Democratic Services	617	–	617	562	–	562
General Secretary's Office	1,363	–	1,363	1,367	–	1,367
Conference Organisation	2,702	–	2,702	2,620	–	2,620
Professional registration representation unit	867	–	867	663	–	663
Membership Liaison	3,605	–	3,605	2,794	–	2,794
Executive Office (inc Gen Sec)	9,612	–	9,612	8,600	–	8,600
Croyde Bay Holiday Resort	1,748	(1,675)	73	1,893	(1,776)	117
UNISON plus	205	(572)	(367)	276	(1,093)	(817)
Welfare	709	–	709	698	–	698
Dragon Court print services	(119)	–	(119)	–	–	–
Governance	2,543	(2,247)	296	2,867	(2,869)	(2)
Total National Expenditure/ Non- Membership Income	66,463	(4,895)	61,568	71,883	(4,855)	67,028

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

	2013	2013	2013	2012	2012	2012
	Expenditure £'000s	Non Membership Income £'000s	Net Expenditure/ Non Membership Income £'000s	Expenditure £'000s	Non Membership Income £'000s	Net Expenditure/ Non Membership Income £'000s
7 Regional Office Expenditure/ Non-Membership Income						
Eastern	3,346	—	3,346	3,388	—	3,388
East Midlands	3,612	—	3,612	3,620	(5)	3,615
Greater London	5,532	—	5,532	5,433	—	5,433
Northern	3,118	—	3,118	3,071	—	3,071
Northern Ireland	1,647	—	1,647	1,673	—	1,673
North West	5,358	—	5,358	5,182	—	5,182
Scotland	4,695	(105)	4,590	4,666	—	4,666
South East	4,132	—	4,132	4,100	(14)	4,086
South West	3,533	—	3,533	3,523	—	3,523
Wales	3,355	(93)	3,262	3,472	(59)	3,413
West Midlands	4,071	—	4,071	3,983	—	3,983
Yorkshire & Humberside	3,857	—	3,857	3,988	—	3,988
	46,256	(198)	46,058	46,099	(78)	46,021
8 Lay Regional Expenditure/ Non-Membership Income						
Other income	—	(242)	(242)	—	(1,028)	(1,028)
Local Expenditure	2,180	—	2,180	2,228	—	2,228
Regional Pool Expenditure	997	—	997	894	—	894
	3,177	(242)	2,935	3,122	(1,028)	2,094
9 Branch Expenditure/Non-Membership Income						
Other Income	—	(1,397)	(1,397)	—	(2,855)	(2,855)
Administration expenses	21,170	—	21,170	20,931	—	20,931
Honoraria	1,525	—	1,525	2,871	—	2,871
Conferences	3,843	—	3,843	3,989	—	3,989
Other meetings	4,623	—	4,623	4,633	—	4,633
Publicity	3,526	—	3,526	3,217	—	3,217
Education	1,558	—	1,558	1,503	—	1,503
Local activities	1,812	—	1,812	1,812	—	1,812
Transfers to Industrial Action Fund	354	—	354	370	—	370
Donations	824	—	824	571	—	571
Affiliations	152	—	152	140	—	140
Miscellaneous	809	—	809	2,070	—	2,070
	40,196	(1,397)	38,799	42,107	(2,855)	39,252

Inter-company note

The income and expenditure of the group includes £1.6 million (2012 £1.1 million) of transactions between the regions, branches and Industrial Action Fund which, for the purpose of presentation, has not been eliminated on consolidation. The accounts have been prepared in this manner as in view of the NEC it presents the most appropriate view of the activities of the union.

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

10 a Employees

	2013 £'000s	2012 £'000s Restated
Salaries	43,479	42,271
Social security costs	3,428	3,302
Pension costs	12,397	11,946
Temporary/Agency	1,705	913
Locally employed staff at Croyde Bay Holiday Resort	633	645
Branch Officials	12,229	11,744
Total staff costs	73,871	70,821

Pension costs are prior to employee salary sacrifice, which started on 1 April 2010.

Average number of UNISON employees including part-time employees for the year was: 1,206 (2012: 1,180). This excludes branch officials. Average number of locally employed staff at Croyde Bay Holiday Resort was 44.

b Salary and on costs of President, General Secretary and Members of the National Executive Committee

Salary and on costs of General Secretary

	2013	2012
Basic salary	90,251	88,296
Salary sacrifice	9,096	9,578
London weighting	4,972	4,898
Gross salary	104,319	102,772
Taxable subsistence	2,516	2,478
Car benefit	5,279	5,024
Total salary and benefits	112,114	110,274
Employer's national insurance costs	13,848	10,983
Total cost to the Union for the year ended 31 December 2013	125,962	121,257

UNISON operates a defined benefit pension scheme open to all staff, the General Secretary is a member of this scheme. Members of the scheme receive defined benefits under the Trust Deed and Rules.

UNISON has a salary sacrifice arrangement for all staff pensions.

No salary or other benefits are paid to the President or other members of the National Executive.

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

11 Employers' Pension Costs

Defined Benefit pension schemes

The Union operates two defined benefit pension schemes in the UK, the UNISON Staff Pension Scheme and the COHSE 1974 Pension and Assurance Scheme. The Union is one of several employers that sponsor the UNISON Staff Pension Scheme.

The schemes are administered by trustees and are independent of the Union's finances. Contributions are paid to the schemes in accordance with the Schedule of Contributions agreed between the trustees and the employers. Of the two schemes, only the UNISON Staff Pension Scheme remains open to new entrants.

The assets and liabilities of the UNISON Staff Pension Scheme are not segregated between UNISON and UIA. Consequently, the share of the scheme's liabilities in respect of the Union's employees and former employee's, and the assets backing those liabilities, has been estimated.

The actuarial valuations have been updated to 31 December 2013, by independent qualified actuaries in accordance with FRS 17. As required by FRS 17, the value of the defined benefit liabilities has been measured using the projected unit method.

The key FRS 117 assumptions used for the schemes are set out below, along with the fair value of the assets, a breakdown of the assets into the main asset classes, the present value of the FRS 17 liabilities and the deficit of assets below the FRS 17 liabilities (the net pension liability).

The major assumptions used by the actuaries were:

	31 December 2013	31 December 2012	31 December 2011
Retail price inflation assumption	3.4% pa	3.0% pa	3.1% pa
Consumer price inflation assumption	2.4% pa	2.3% pa	2.1% pa
Rate of increase of pensions in payment	3.4% pa	3.0% pa	3.1% pa
General increase in salaries over next year	1.0% pa	1.0% pa	2.0% pa
Over second year	3.4% pa	3.0% pa	1.5% pa
Over third year	3.4% pa	3.0% pa	1.5% pa
Thereafter	3.4% pa	3.0% pa	3.1% pa
Discount rate	4.5% pa	4.4% pa	4.8% pa

On the basis of the assumptions used for life expectancy, a male pensioner currently aged 60 would be expected to live for a further 26.6 years (2012: 26.2 years). A male pensioner aged 60 in 20 years' time would be expected to live for a further 28.6 years (2012: 27.7 years).

The assets in the schemes and the expected rate of return were:

	31 December 2013		31 December 2012		31 December 2011	
	Long term rate of return expected	Value £'000	Long term rate of return expected	Value £'000	Long term rate of return expected	Value £'000
Equities	7.4% pa	221,962	6.8% pa	231,497	6.8% pa	199,451
Bonds	3.5% pa	200,200	3.0% pa	132,458	3.1% pa	124,680
Property	5.5% pa	34,073	4.8% pa	30,374	4.8% pa	29,307
Cash and cash equivalents	1.3% pa	5,467	0.5% pa	2,786	0.6% pa	3,688
		461,702		397,115		357,126

The expected rate of return on assets for the financial year ending 31 December 2013 was 5.4% pa (2012 5.3% pa). This rate is derived by taking the weighted average of the long term expected rate of return on each of the asset classes that the schemes were invested in at 31 December 2012.

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NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

11 Employers' Pension Costs (continued)

	31 December 2013	31 December 2012	31 December 2011	31 December 2010	31 December 2009
	£'000s	£'000s	£'000s	£'000s	£'000s
Fair value of schemes assets	461,702	397,115	357,126	355,499	311,366
Present value of defined benefit obligations	(565,767)	(517,471)	(463,715)	(422,027)	(400,079)
Net liability	(104,065)	(120,356)	(106,589)	(66,528)	(88,713)

Changes in the present value of the defined benefit obligation are as follows:

	31 December 2013	31 December 2012
	£'000s	£'000s
Opening defined benefit obligation	517,471	463,715
Employer's part of current service cost	12,908	11,352
Past service cost	3	79
Interest cost	22,709	22,163
Contributions from plan members	165	162
Actuarial loss	28,289	35,920
Benefits paid	(15,778)	(15,920)
Closing defined benefit obligation	565,767	517,471

Changes in the fair value of the plan assets are as follows:

	31 December 2013	31 December 2012
	£'000s	£'000s
Opening fair value of the assets	397,115	357,126
Expected return on assets	21,154	19,042
Actuarial gain	41,179	19,395
Contributions by the employer	17,867	17,310
Contributions by schemes members	165	162
Benefits paid	(15,778)	(15,920)
Closing fair value of plan assets	461,702	397,115

The actual return on the scheme's assets over the year was a gain of £62,333,000 (2012 gain of £38,437,000).

The actuarial gain or loss for 2013 is a gain of £12,890,000 (2012 loss of £16,525,000). The cumulative amount recognised outside profit and loss at 31 December 2013 is a loss of £177,582,000.

It is important to note that all of the pensions accounting entries are volatile from year to year. This is particularly true of the balance sheet figure, as the fair value of the assets are largely linked to the equity market, whereas the amount of the defined benefit obligation is linked to yields on AA-rated corporate bonds.

The following amounts have been included within operating profit under FRS17:

	31 December 2013	31 December 2012
	£'000s	£'000s
Current service cost	12,908	11,352
Past service cost	3	79
Total operating charge	12,911	11,431

The following amounts have been included as net finance income under FRS17:

	31 December 2013	31 December 2012
	£'000s	£'000s
Expected return on pension scheme assets	(21,154)	(19,042)
Interest on pension defined benefit obligations	22,709	22,163
Net return to credit to finance income	1,555	3,121

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

11 Employers' Pension Costs (continued)

The following amounts have been included within operating profit under FRS17:

	Year to 31 December 2013 £'000s	Year to 31 December 2012 £'000s
COHSE pension scheme additional contributions	2,089	1,665
Total operating charge	12,911	11,431
Net return to credit to finance income	1,555	3,121
Contributions by the employer	(17,867)	(17,310)
Additional pension cost	(1,312)	(1,093)

Contributions to the scheme on behalf of UNISON employees are included separately within national and branch expenditure and are disclosed in note 13.

The following amounts have been recognised within other gains and losses

	Year to 31 December 2013 £'000s	Year to 31 December 2012 £'000s
Actual return less expected return on pension scheme assets	41,179	19,395
Experience gains / (losses) arising on pension defined benefit obligations	(54)	130
Loss due to changes in assumptions underlying the FRS 17 value of defined benefit obligations	(28,235)	(36,050)
Actuarial gain / (loss) recognised in the Statement of Recognised Gains and Losses	12,890	(16,525)

The deficit under FRS17 would have moved as follows during the year:

	Year to 31 December 2013 £'000s	Year to 31 December 2012 £'000s
(Deficit) in schemes at 31 December 2012	(120,356)	(106,589)
Service cost (employee and employer)	(13,073)	(11,514)
Contributions (employees and employers)	18,032	17,472
Past service costs (vested and non-vested)	(3)	(79)
Other net finance income	(1,555)	(3,121)
Actuarial (loss) / gain	12,890	(16,525)
Deficit in schemes at 31 December 2013	(104,065)	(120,356)

Over the year to 31 December 2013, contributions by the national office of £16,131,000 (2012:£15,567,000) were made to the schemes.

Other significant contributions (excluding employee contributions) were £1,505,000 for Branch Officials (2012:£1,473,000) and £274,000 for Pension protection levy (2012: £213,000).

It was agreed with the Trustees that contributions to the UNISON Scheme increased to 25% of members' salaries from 1 April 2006.

The estimated amount of total employer contributions expected to be paid to the Schemes during 2014 is £18.2m.

	Year to 31 December 2013 £'000s	Year to 31 December 2012 £'000s	Year to 31 December 2011 £'000s	Year to 31 December 2010 £'000s	Year to 31 December 2009 £'000s
History of experience gain and losses is:					
Difference between the expected and actual return on scheme assets:					Restated
Amount – gain /(loss)	41,179	19,395	(22,539)	19,977	29,817
Percentage of schemes assets	9%	(5%)	(6%)	6%	10%
Experience adjustments on plans liabilities					
Amount – gain /(loss)	54	130	2,739	1,905	(19)
Percentage of defined benefit obligations	0%	0%	1%	(0%)	(0%)

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

12 Tangible Fixed Assets

General Fund	Freehold Properties £'000s	Leasehold Properties £'000s	Equipment £'000s	Total £'000s
Cost:				
At 1 January 2013	111,437	2,602	15,413	129,452
Fully depreciated assets	—	—	(2,432)	(2,432)
Additions	—	—	853	853
At 31 December 2013	111,437	2,602	13,834	127,873
Depreciation				
At 1 January 2013	9,567	1,541	9,145	20,253
Fully depreciated assets	—	—	(2,432)	(2,432)
Charge for the year	2,136	199	3,533	5,868
At 31 December 2013	11,703	1,740	10,246	23,689
National net book value at 31 December 2013	99,734	862	3,588	104,184
National net book value at 31 December 2012	101,870	1,061	6,268	109,199
Total Union				
General Fund	99,734	862	3,588	104,184
Branches	1,607	18	707	2,332
Total Union & Group net book value at 31 December 2013	101,341	880	4,295	106,516
Total Union & Group book value at 31 December 2012	102,992	1,086	6,822	110,900

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

13 Investments

GROUP	Year to 31 December 2013			Year to 31 December 2012		
	Listed investments	Unlisted investments	Total	Listed investments	Unlisted investments	Total
Cost:	£'000s	£'000s	£'000s	£'000s	£'000s	£'000s
At 1 January 2013	382	1,771	2,153	576	1,771	2,347
Disposals	(101)	–	(101)	(194)	–	(194)
At 31 December 2013	281	1,771	2,052	382	1,771	2,153

	Year to 31 December 2013 Union and Group		Year to 31 December 2012 Union and Group	
	Market Value	Book Value	Market Value	Book Value
	£'000s	£'000s	£'000s	£'000s
Unlisted investments				
Unity Trust Bank	1,771	1,771	1,771	1,771
Listed investments				
Others – National	2	2	2	2
Others – Branches	279	279	380	380
	2,052	2,052	2,153	2,153

1 Mabledon Place

UNISON owns the freehold interest in 1 Mabledon Place. This is carried at market value in the Financial Statements. The last professional valuation of the freehold interest was performed in February 2012 by Deloitte Drivers Jonas, who valued the freehold interest at £5.65 million.

Managers in Partnership – Joint Venture

On 1 June 2005, UNISON entered into a joint venture (JV) with the FDA, the JV is known as Managers in Partnership. The partnership provides support for senior manager members within the health service.

Control of the partnership is 50:50.

The management accounts of the partnership are as follows:

	Total Partnership	UNISON Share
	2013	50%
	£'000s	2013
		£'000s
Profit and Loss Account		
Income	1,919	959
Expenditure	(1,382)	(691)
Distributions to partners	(537)	(268)
Closing reserves	–	–

	Total Partnership	UNISON Share
	2013	50%
	£'000s	2013
		£'000s
Balance Sheet as at 31 December 2013		
Net current assets	–	–
Net current liabilities	–	–
Closing reserves	–	–

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

13 Investments (continued)

Subsidiary undertakings

	Country of incorporation	Percentage of ownership
College of Operating Department Practitioners Limited	England	100% – Company is limited by Guarantee from UNISON since incorporation

College of Operating Department Practitioners for the year ending 31 December 2013

Balance Sheet	2013 £'000s	2012 £'000s
Fixed assets	–	–
Net current assets	21	(15)
Creditors due in more than one year	(100)	(100)
Net (Liabilities)	(79)	(115)
Represented by;		
Reserves as at 1 January 2013	(115)	(90)
Gain in the period	36	(25)
Reserves as at 31 December 2013	(79)	(115)
Profit and Loss Account	£'000s	£'000s
Subscription	129	112
Non membership income	2	7
Expenditure	(95)	(144)
Gain / (loss) in the period	36	(25)

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

14 Debtors

	2013 Union £'000s	2013 Group £'000s	2012 Union £'000s	2012 Group £'000s
Members' subscriptions	11,619	11,619	11,445	11,445
Thompson LLP	2,800	2,800	2,800	2,800
Other debtors	1,996	1,994	2,515	2,494
Prepayments and accrued income	2,684	2,684	2,560	2,560
Stanhope plc	15,000	15,000	15,000	15,000
	34,099	34,097	34,320	34,299

In December 2012, UNISON granted a long lease of 153 years on 1 Mabledon Place to Stanhope plc. As consideration, Stanhope plc agreed to pay UNISON a lease premium of £15 million in June 2014. Stanhope plc will develop the building as commercial offices. UNISON retains the freehold (see note 13) and will receive an annual income stream in respect of ground rent as well as a share of rental income each year over the period of the lease.

15a Creditors: payable within one year

Trade creditors and accruals	(10,922)	(10,946)	(14,989)	(15,029)
PAYE, NI and other taxes	(1,210)	(1,210)	(1,153)	(1,153)
	(12,132)	(12,156)	(16,142)	(16,182)

15b Creditors payable later than one year and less than five years

Bank Loans	—	—	(6,000)	(6,000)
	—	—	(6,000)	(6,000)

16 Operating Lease Commitments

UNISON is committed to the following annual commitments under non-cancellable operating leases as follows:

	Union and Group 2013 Land and Buildings £'000s	Other £'000s	Union and Group 2012 Land and Buildings £'000s	Other £'000s
National				
Less than one year	183	24	817	23
Between two and five years	1,515	80	659	76
Over five years	493	—	603	—
Branches				
Less than one year	395	2	563	72
Between two and five years	291	—	141	74
Over five years	232	—	218	—

17 International Development Fund

The above fund was established in 2004 to support the union's international commitments through a range of projects with trade unions in the developing world.

The International Fund is disclosed as part of the transactions and balances of the General Fund.

	2013 £'000s	2012 £'000s
Income		
General Fund Donations	81	164
Interest	5	3
Expenditure		
Project donations	(161)	(178)
Deficit	(75)	(11)
Reserves as at 1 January 2013	1,090	1,101
Reserves as at 31 December 2013	1,015	1,090

UNISON

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

18 Notes to the Cash Flow Statement

a Reconciliation of Surplus to Net Cash Inflow from Operating Activities

	2013 £'000s	2012 £'000s
Surplus / (Deficit) for the year	22,008	(10,567)
Actuarial losses / (gains) on pension scheme	(12,890)	16,525
Revaluation of Mabledon Place	—	(850)
Pension costs FRS17 provision	(3,401)	(2,758)
Depreciation	5,868	5,595
Net Interest paid	(164)	162
(Increase) / decrease in debtors	222	(2,225)
(Decrease) in creditors	(4,026)	(6,076)
Increase / (decrease) in branch net liabilities	—	1,859
Net cash inflow from operating activities	7,617	1,665

b Analysis of Net Funds

	2013 £'000s	Cash Flow £'000s	2012 £'000s
Short term bank deposits	23,268	(1,818)	21,450
National and Regional – cash at bank	5,678	557	6,235
Branches – cash at bank	56,366	865	57,231
CODP – bank	48	(2)	46
Bank loans	—	(6,000)	(6,000)
Net funds	85,360	(6,398)	78,962

19 Capital Commitments

There are no significant capital commitments.

20 Related Party Disclosure

The General Secretary is a director of Unity Trust Bank and Steve Tasker (ex director of finance –retired 31/7/2013) his alternate director. UNISON owns 10.8% of Unity Trust Bank ordinary shares and also banks with Unity Trust.

At year end UNISON held cash balances with Unity at branch, region and national totalling £77 million.

The Chair of the Finance and Resource Management Committee is a non executive director of UIA Insurance Ltd.

UIA supply and deliver the UNISON Direct service to members, UNISON reimbursed UIA costs of £1.8 million in 2013.

UNISON Welfare Board of Trustees are elected substantially from UNISON NEC and the regional and branch network. UNISON donated £0.7m to UNISON Welfare in 2013.

UNISON has taken advantage of the exemption under FRS 8, Related Party Disclosures, not to disclose transactions or balances between group entities that have been eliminated on consolidation in these Financial Statements.

UNISON
GENERAL POLITICAL FUND
FINANCIAL STATEMENT

For the year ended 31 December 2013

REVENUE ACCOUNT		2013		2012	
		£'000s	£'000s	£'000s	£'000s
Income					
Contributions receivable	2		3,253		3,279
Bank interest			19		18
Total Income			3,272		3,297
Expenditure					
Major campaigns		(3,414)		(552)	
Contributions and donations		(587)		(2,251)	
Contribution to General Fund expenses	3	(61)		(57)	
Total Expenditure			(4,062)		(2,860)
(Deficit) / surplus for the year			(790)		437
BALANCE SHEET					
Current Assets			2013		2012
			£'000s		£'000s
Debtors	4		–		209
Short Term Bank Deposits			3,500		4,400
Cash at bank			763		33
			4,263		4,642
Current Liabilities					
Creditors	5		(436)		(25)
Net Assets			3,827		4,617
Represented by:					
Reserves at 1 January 2013			4,617		4,180
Revenue Account (deficit) / surplus for the year			(790)		437
Balance at 31 December 2013			3,827		4,617

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

- (a) The Financial Statements have been prepared on a historical cost basis and in accordance with applicable accounting standards.
- (b) The operation of the Fund is governed by the union's constitution and rules.
- (c) Interest on investments and loans comprises gross interest receivable for the period.
- (d) Expenditure is accounted for on an accruals basis. Any amounts of irrecoverable VAT are added to expenditure incurred.

2 Contributions receivable

Where members choose to support the General Political Fund, the Fund is entitled to receive 3% of their member subscriptions for the year. Contributions receivable reflects the part of member subscriptions allocated to the General Political Fund by the union in the year.

3 Contribution to General Fund Expenses

The General Political Fund contributes two per cent of the members' contributions receivable for the year towards General Fund expenses.

4 Debtors

General Fund

5 Creditors

Sundry creditors
General Fund

	2013	2012
	£'000s	£'000s
General Fund	–	209
	–	209
Sundry creditors	(52)	(25)
General Fund	(384)	–
	(436)	(25)

The Financial Statements were approved by the Finance and Resource Management Committee on 1 May 2014 and signed on its behalf by:

Dave Prentis
General Secretary
1 May 2014

Maureen Le Marinel
President
1 May 2014

UNISON
AFFILIATED POLITICAL FUND
FINANCIAL STATEMENT

For the year ended 31 December 2013

REVENUE ACCOUNT		2013		2012	
	Notes	£'000s	£'000s	£'000s	£'000s
Income					
Contributions receivable	2		3,379		3437
Bank interest			10		4
Total Income			3,389		3441
Expenditure					
National expenditure		(1,944)		(1,868)	
National administration		(255)		(365)	
Contribution to General Fund expenses	3	(68)		(59)	
Regional expenditure		(227)		(272)	
Total Expenditure			(2,494)		(2,564)
Surplus for the year			895		877
BALANCE SHEET					
Current Assets			2013		2012
			£'000s		£'000s
Debtors	4		418		602
Short Term Bank Deposits			2,500		1240
Cash at bank			453		651
			3371		2493
Current Liabilities					
Creditors	5		(2)		(19)
Net Assets			3,369		2474
Represented by:					
Reserves at 1 January 2013			2,474		1597
Revenue Account surplus for the year			895		877
Balance at 31 December 2013			3,369		2474

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting Policies

- (a) The Financial Statements have been prepared on a historical cost basis and in accordance with applicable accounting standards.
- (b) The operation of the Fund is governed by the union's constitution and rules.
- (c) Interest on investments and loans comprises gross interest receivable for the period.
- (d) Expenditure is accounted for on an accruals basis. Any amounts of irrecoverable VAT are added to expenditure incurred.

2 Contributions receivable

Where members choose to support the Affiliated Political Political Fund, the Fund is entitled to receive 6.5% of their member subscriptions for the year. Contributions receivable reflects the part of member subscriptions allocated to the Affiliated Political Fund by the union in the year.

3 Contribution to General Fund Expenses

The Affiliated Political Fund contributes two per cent of the members' contributions receivable for the year towards General Fund expenses.

4 Debtors

Prepayment (The Labour Party)
General Fund

	2013	2012
	£'000s	£'000s
	0	363
	418	239
	418	602
	(2)	(19)
	(2)	(19)

5 Creditors

Sundry creditors

The Financial Statements were approved by the Finance and Resource Management Committee on 1 May 2014 and signed on its behalf by:

Dave Prentis
General Secretary
1 May 2014

Maureen Le Marinel
President
1 May 2014

UNISON
TEN YEAR SUMMARY 2004 TO 2013
(As disclosed in the Annual Financial Statements)

REVENUE ACCOUNT	Total Group 12 months 2004 £'000s	Total Group 12 months 2005 £'000s	Total Group 12 months 2006 £'000s	Total Group 12 months 2007 £'000s	Total Group 12 months 2008 £'000s	Total Group 12 months 2009 £'000s	Total Group 12 months 2010 £'000s	Total Group 12 months 2011 £'000s	Total Group 12 months 2012 £'000s	Total Group 12 months 2013 £'000s
Income	RESTATED					RESTATED				
Member's subscriptions	139,844	145,604	152,656	158,167	161,182	167,098	173,134	173,403	170,975	169,122
Local levy	142	154	129	156	142	231	163	196	212	309
Donations by branch members	672	481	389	364	546	299	444	773	22	152
Allocations to Political Funds	(4,899)	(5,227)	(5,349)	(5,576)	(5,458)	(5,688)	(6,044)	(6,418)	(6,716)	(6,632)
Available Operating Income	135,759	141,012	147,825	153,111	156,412	161,940	167,697	167,954	164,493	162,951
Non-Membership Income	10,465	13,301	12,966	16,342	14,468	13,761	13,537	12,726	10,242	8,058
Total Income	146,224	154,313	160,791	169,453	170,880	175,701	181,234	180,680	174,735	171,009
Total Operating Expenditure	(128,471)	(136,952)	(138,845)	(151,408)	(158,752)	(165,634)	(166,501)	(167,330)	(169,627)	(161,891)
Net Income/(Expenditure) for the year	17,753	17,361	21,946	18,045	12,128	10,067	14,733	13,350	5,108	9,118
Revaluation of Mabledon Place	—	—	—	—	—	—	—	17,792	850	—
Actuarial (losses) / gains on pension scheme	(600)	(23,016)	23,193	5,990	(40,241)	(32,738)	18,316	(44,977)	(16,525)	12,890
Surplus/(deficit) for the year	17,153	(5,655)	45,139	24,035	(28,113)	(22,671)	33,049	(13,835)	(10,567)	22,008
BALANCE SHEET										
	2004 £'000s RESTATED	2005 £'000s	2006 £'000s	2007 £'000s RESTATED	2008 £'000s RESTATED	2009 £'000s RESTATED	2010 £'000s	2011 £'000s	2012 £'000s	2013 £'000s
Tangible Assets	25,052	46,592	51,644	54,947	68,049	99,849	108,907	113,731	110,900	106,516
Investments	3,270	3,259	3,334	2,408	2,654	2,584	2,220	22,147	2,153	2,052
Intangible Asset	—	—	—	—	—	—	—	—	5,650	5,650
Joint Venture	—	109	488	—	—	—	—	—	—	—
Total Fixed Assets	28,322	49,960	55,466	57,355	70,703	102,433	111,127	135,878	118,703	114,218
Current Assets	96,610	91,038	101,903	124,446	114,453	113,628	136,954	111,388	119,460	119,636
Current Liabilities	(12,246)	(13,343)	(10,766)	(14,541)	(18,259)	(21,819)	(32,300)	(20,399)	(16,182)	(12,156)
Net Current Assets	84,364	77,695	91,137	109,905	96,194	91,809	104,654	90,989	103,278	107,480
Creditors due in more than one year	—	(470)	—	—	—	(18,552)	(29,227)	(14,087)	(6,000)	—
Provisions for liabilities and charges	—	—	(430)	(587)	—	—	—	—	—	—
Net Assets excluding pension scheme	112,686	127,185	146,173	166,673	166,897	175,690	186,554	212,780	215,981	221,698
Pension fund deficit	(40,100)	(60,254)	(34,103)	(22,768)	(57,249)	(88,713)	(66,528)	(106,589)	(120,356)	(104,065)
Total Net Assets	72,586	66,931	112,070	143,905	109,648	86,977	120,026	106,191	95,625	117,633
Represented by:										
Reserves	112,686	127,185	146,173	166,673	166,897	175,690	186,554	212,780	215,981	221,698
Pension scheme liability	(40,100)	(60,254)	(34,103)	(22,768)	(57,249)	(88,713)	(66,528)	(106,589)	(120,356)	(104,065)
Accumulated Reserves	72,586	66,931	112,070	143,905	109,648	86,977	120,026	106,191	95,625	117,633
Average number of employees	1,218	1,212	1,144	1,123	1,123	1,140	1,127	1,133	1,180	1,206

